

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814

July 30, 1986



ALL COUNTY INFORMATION NOTICE 1-69-86

TO: ALL COUNTY WELFARE DIRECTORS
ALL PROBATION DEPARTMENTS
ALL COUNTY COUNSELS
ALL COUNTY AUDITORS
ALL COUNTY FISCAL OFFICERS
ALL COUNTY ADMINISTRATIVE SERVICES OFFICERS

SUBJECT: AB 3632/AB 882 IMPLEMENTATION INFORMATION

REFERENCE: ALL COUNTY LETTER (ACL) 86-48

This All County Information Notice provides county welfare departments with further information regarding the AB 3632/AB 882 budget appropriation and claiming, and identifies a contact person for additional instructions on Medi-Cal payments.

BUDGET APPROPRIATION

The 1986/87 budget bill, AB 3217 (Chapter 186/Statutes of 1986), enacted June 25, 1986, provides for the transfer of \$8.1 million from the State Department of Education (SDE) special education budget. SDE will transfer \$5.4 million to the State Department of Social Services (SDSS) for out-of-home costs, and \$2.7 million to the State Department of Mental Health (SDMH) for assessments.

In addition, \$29.1 million General Fund monies will be transferred from the Aid to Families with Dependent Children-Foster Care Program to fund out-of-home care and administrative costs for seriously emotionally disturbed (SED) children. The transfer will be accomplished internally through the SDSS fiscal process.

The budget bill requires that local education agencies (LEAs) report to the SDE their costs of providing non-educational services (such as residential care), the number of SED children with individualized education program (IEP) designated placements and the duration of such placements. Willful failure to accurately report such data will result in a penalty of reduced funding to the LEA. The Auditor General is required to audit the LEA data and report findings and recommendations to the Legislature and Department of Finance by February 1, 1987. Based on the LEA data and recommendations, the Director of Finance is authorized to transfer additional funds from the SDE special education budget to the SDSS and SDMH budgets.

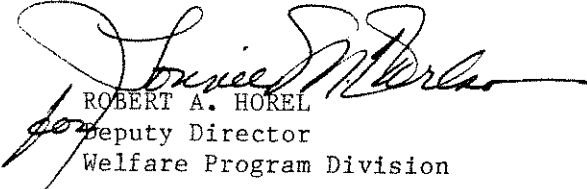
SDSS and SDE are jointly required to report to the Joint Legislative Budget Committee by March 1, 1987 regarding any increase in the number of SED children determined to need out-of-home care as the result of AB 3632/AB 882. The report will include documentation of cost impacts to the state, county and federal governments.

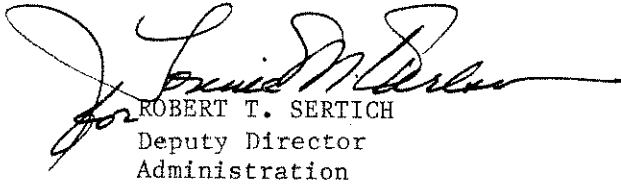
CLAIMING - ASSISTANCE PAYMENTS

Beginning the end of July, 1986, the SDSS will be providing monthly fund advances for SED payment costs. The amount allocated to each county will be determined by using percentages developed from actual Foster Care expenditures. The SDSS will be tracking expenditure data and will adjust the allocation ratios as necessary. Questions regarding advancement of funds should be directed to Jeff Hiratsuka, Accounting and Systems Bureau, at (916) 323-0075, ATSS 473-0075 or Laurie Loutensock, Accounting and Systems Bureau (Welfare Payments Unit) at (916) 323-0081, ATSS 473-0081.

MEDI-CAL

As described in ACL 86-48, SED children placed out-of-home pursuant to an IEP are eligible for Medi-Cal under the Medically Indigent Program. Questions regarding Medi-Cal procedures should be directed to Maxine Forster, Medi-Cal Eligibility Branch, State Department of Health Services (DHS), at (916) 324-4954, ATSS 454-4954. Instructions from DHS will be issued in the near future.


ROBERT A. HOREL
Deputy Director
Welfare Program Division


ROBERT T. SERTICH
Deputy Director
Administration

cc: CWDA
County Mental Health Directors